

Regal Assets: Economic Disruptions Will Continue Pushing Precious Metals Higher

Runaway inflation is soaring throughout the developed world. The Russia-Ukraine conflict looks more and more likely to be a long, drawn-out struggle.

UNITED STATES, May 31, 2022

/EINPresswire.com/ -- Regal Assets, a leading provider of Precious Metals IRAs, believes that the current economic disruptions will persist and will continue pushing gold and silver prices higher. Runaway inflation is soaring throughout the developed world, global supply chain problems persist, the Russia-Ukraine conflict looks more and more likely to be a long, drawn-out struggle - and now serious recession fears are arising in the United States. It all adds up to massive economic uncertainty, a condition which, historically, has always spurred investors to seek safe-haven investments in alternative assets such as gold and silver.



Gold bullion bars are pictured after being inspected and polished at the ABC Refinery in Sydney on August 5, 2020. - Gold prices hit 2,000 USD an ounce on markets for the first time on August 4, the latest surge in a commodity seen as a refuge amid uncertainty.

“

Given the geopolitical tensions surrounding the situation in Ukraine and a looming recession in many parts of the world, gold may continue to be an attractive asset...”

Jason Mountford

The latest bad news economic surprise: the first quarter GDP numbers for the US. The report caught many financial and market analysts off guard, showing GDP growth taking a serious plunge to the downside – not only not growing at all, but shrinking at an annualized rate of 1.4%. That figure represents a substantial departure from the Dow Jones projected estimate of 1% positive growth. The sour GDP numbers are coupled with US inflation hitting a 40-year high of 8.5% in March.

GDP figures in the United Kingdom and the European

Union are at least still positive, but only barely, and threatened by energy prices continuing to spiral higher as a result of the war in Ukraine. In the UK, February GDP grew by a minimal 0.1%, as reported by the Office of National Statistics (ONS). Eurostat estimated the first quarter of 2022 GDP growth in the EU at a mere 0.2%, with Sweden and Italy already showing negative GDP numbers. Those figures make the European Central Bank's earlier forecast of 3.7% annual GDP growth for 2022 look like an absurdly optimistic estimate.

Reports of sluggish economic growth span the globe. The Japan Center for Economic Research (JCER) recently slashed its first-quarter 2022 GDP estimate from 5.04% - cutting it all the way down to 0.64%.

Stocks Down, Gold and Silver Up

The S&P 500 Index is down approximately 12% year-to-date, while gold and silver are up roughly 4%, even

after a major downside correction from their year-to-date highs. This circumstance is just another instance of a financial market pattern that has held true since at least the 1970s, when gold skyrocketed to nearly \$1,000 an ounce during a protracted bear market in stocks. When stocks are tumbling, the historical pattern has been that precious metals prices rise. Economic downturns and economic uncertainty drive investors to seek "safe haven" investments in tried and true stores of value such as gold and silver. UK Financial Advisor and author of the book, "Modern Investing Fundamentals", Jason Mountford expects gold and silver to continue to increase in value, given the current global economic conditions. Mountford wrote in a recent article, "Going forward, we are likely to continue to see gold (and to a lesser extent, silver) retain its value and even grow against a backdrop of volatile stock markets...given the geopolitical tensions surrounding the situation in Ukraine and a looming recession in many parts of the world, gold may continue to be an attractive asset...".

Mountford further explained that gold prices may be supported by central bank policies, noting that the Russian central bank is likely to hoard its gold reserves. Other central banks may look to



Why Precious Metals? Is Gold Really Useful In Times Of Crisis? See For Yourself. The gold price increase noted for Iraq-Kuwait War 1990 refers to the run between August 1 and August 14, 1990, during the height of the conflict.



Learn more about IRAs (including Silver IRAs, Crypto IRAs, and Bitcoin IRAs) from Regal Assets. Find out if a Gold IRA is right for your investment strategy on the official Regal Assets website. Don't forget to request your FREE investment kit.

increase their gold holdings if the Russia-Ukraine war lingers or spreads.

Precious Metals IRAs

Many tax-conscious investors are looking to invest in gold or silver through a tax-advantaged individual retirement account (IRA). There are significant advantages of holding precious metals investments in precious metals IRAs. Investments in a [Gold or Silver IRA](#), in addition to offering considerable tax advantages, also provide overall investment portfolio diversification and may offer risk protection as well.

IRA investors can use either a traditional IRA or a Roth IRA for holding investments in precious metals. With a traditional IRA, contributions are tax-deferred until withdrawals are made, while a Roth IRA offers the advantage of investment gains growing tax-free.

The US Internal Revenue Service (IRS) has very strict rules about how a precious metals IRA must be set up and maintained. First, the account must hold actual physical gold or silver, not just paper assets such as investments in gold mining stocks. More specifically, the IRS only approves of certain physical gold or silver investments in the form of coins or bullion. Second, the account has to be administered by an approved custodian. Finally, the physical gold or silver in an IRA account can only be stored in IRS-approved facilities. In order to ensure compliance with all the IRS rules governing precious metals IRAs, many investors find it beneficial to open their IRA with a financial firm such as Regal Assets, which provides all of the necessary services – approved gold and silver coins and bullion for purchase, custodial services, and IRS-approved storage.

The Other Alternative Asset – Cryptocurrency

Some investors are surprised that gold and silver haven't surged even higher. In response, some market analysts suggest that cryptocurrencies such as [Bitcoin](#) and Ethereum may be drawing some of the investment dollars that might otherwise be going into precious metals. Thus far in 2022, cryptocurrency prices appear to be moving in tandem with stock prices – i.e., to the downside. However, many cryptocurrency analysts expect crypto investments to turn back to the upside by late spring or early summer.

Regal Assets is one of the few companies that is currently licensed to offer investors a Bitcoin IRA option. As is the case with precious metals IRAs, [Bitcoin IRAs](#) must also adhere to strict IRS regulations.

Summary

Precious metal prices are likely to continue moving higher in the current economic environment. Investments in gold and silver are a well-established safe haven when there's significant economic upheaval. In addition, investing in such alternative assets provides investors with a means of hedging their other investments, such as stocks and bonds. Many investors prefer to

hold precious metals in a tax-advantaged IRA account in order to minimize their tax burden.

Michael Dang

Regal Assets

+1 877-205-1104

mdang@regalassets.com

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

[Other](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/574567773>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.